

Private Medical Trusts

A collaborative approach
to private medical trusts



Get a private medical trust that works for you

At Aviva, we know not all businesses are the same.

That's why our expert team will work with you as you create a private medical trust that gives you everything you need. We use our knowledge and years of experience to identify your unique requirements – and then we deliver them.

We work hard to make sure every aspect of our trust offering is as smooth, accurate and easy as possible. We're there to help at every step from the minute you come to us, from answering all your questions to handling claims. And that's what makes this service our premium option.



Contents

4 What you need to know about private medical trusts

- 5 What is a Private Medical Trust?
- 6 What are the main benefits?

7 Why choose Aviva?

- 8 Five ways our expertise can make your job easier
- 9 How our experienced team can help
- 10 We make it easier for you to handle your private medical trust
- 11 The benefits of leaving the admin to the experts
- 12 A forward-thinking claims management philosophy
- 13 Mental Health Pathway and Mental Health Pathway Plus
- 15 BacktoBetter
- 17 Enhanced cancer support
- 18 Added value and wellbeing benefits for your beneficiaries

20 Expert advice on private medical trusts

- 21 Our checklist for setting up or running a trust
- 22 A quick guide to taxation
- 23 It's easy to work with us
- 24 Points to remember about private medical trusts
- 25 Contact us

What you need to know about **private medical trusts**



What is a private medical trust?

It's an arrangement through which your employees - known as beneficiaries under the trust - can get healthcare benefits without you having to use insurance.

Your business funds the trust through contributions. This money then pays the medical expenses for beneficiaries when they make a claim.

Is a private medical trust likely to be suitable for you?

Certain companies are more likely to find trusts appealing than others.

Ask yourself the following questions. If you answer 'yes', it might be suitable for you.

1. Does your company have at least 500 employees?
2. Would you have a claims fund of £500,000 or more?
3. Have you already had a fully insured, corporate excess or cost plus private medical insurance arrangement?



What are the main benefits?

There are many benefits to a company of your size using a private medical trust.

Here are a few of them:

- ✓ **More control and flexibility -**
your trustees set the rules, so you can decide the types of benefits you offer
- ✓ **Tailored to suit your business -**
it's built around the needs of your employees and your business, so you can have the solution that works best for you
- ✓ **Frees you up to focus on what you do best -**
you can leave the day-to-day business of assessing and paying out claims to us
- ✓ **Potential cost saving -**
it's not an insurance contract, so neither you nor your employees have to pay an insurance premium tax



Why choose **Aviva**?



Five ways our expertise can make your job easier

We have a proven track record of building lasting relationships with our trust scheme clients.

With our expert service, you can confidently hand over the administration of your private medical trust to us and focus on running your business.

1

We have over 20 years' experience dealing with private medical trust schemes, so you can be confident in our ability to transfer and manage your scheme.

2

Our team's combined experience means we offer as effortless, efficient and accurate a way of working as possible.

3

We'll help to lighten your workload by handling all the admin, giving you back precious time to focus on other matters.

4

Our service is flexible, so we can help you get the right solutions for your employees - helping them return to work sooner.

5

By working with experts, you can set up a new trust yourself or transfer your existing trust and leave the rest to us, safe in the knowledge we'll take care of it.

How our experienced team can help

Whether you're setting up a new private medical trust or transferring an existing one, you'll need experts to help manage it for you.

If you choose us, we'll be there for you every step of the way.

As part of our service, we can give you insurance options to protect your trust from exceptional claims, on an aggregate and/or specific stop loss basis.

We're one of the largest insurers in the UK, with over 325 years of experience behind us.



We make it easier for you to handle your private medical trust

- ✓ We'll give you all the information and documents you need to administer your trust.
- ✓ We'll help you draw up a tailored list of benefits for your employees.
- ✓ We'll give you a range of cost containment measures, all keeping to a high standard of care.
- ✓ We'll give you a range of bespoke beneficiary communications you can use to tell your employees about the benefits of the trust.
- ✓ We'll keep you up to date with our key detailed reporting, data and trend analysis.
- ✓ We'll give you a dedicated account management team, who you can speak to directly whenever you need to.
- ✓ We'll put our experienced claims team at your service.



The benefits of leaving the admin to the experts

Quite simply, we understand how to administer trusts.

We've been doing it for a long time and we're good at it.

Here's what you can expect when you work with us:

- ✓ A dedicated account management team who will get to know your business and its administration needs
- ✓ A choice of administrative services, such as working together to create a bespoke welcome pack and distributing this to your beneficiaries
- ✓ Regular group administration and trustee meetings to discuss the operation of your trust
- ✓ Bespoke management information tailored to your requirements
- ✓ The choice of either letting us manage your membership on your behalf or taking care of it yourself if you prefer. If this is the case, you can use Healthpoint, the Aviva hub specially designed to make it easier to control and manage your membership.



A forward-thinking claims management philosophy...

Our claims management philosophy makes sure your employees get a truly prompt and personal service.

From their initial symptoms through to specialist referrals, we'll be there to guide your employees through their claim, step by step.

And we'll help you too, by identifying and managing high-cost cases over the long term. For example, this could include conditions requiring cardiac or orthopaedic treatments, or eligible complex conditions such as cancer, strokes or mental health treatment. We'll then settle all eligible invoices directly with the provider on your behalf.

...delivered by an experienced claims team

We have a number of experienced specialist teams providing relevant care, reassurance and effective cost management.

We have teams that specialise in oncology and mental health conditions. Each of these teams offers guidance from highly trained advisers, who are able to provide support throughout a course of treatment. This makes progress from one stage of treatment to the next as seamless as possible.

We refer any back, neck, muscle or joint pain claims to our carefully selected third party clinical providers through the BacktoBetter service (see page 15 for more details). For mental health support, we have an third party mental health provider, with access to over 3,000 clinicians as part of our mental health pathway and mental health pathway plus (see next page for information).

Mental health pathway

As we're all unique, with individual needs, we believe mental health treatment should be tailored to your personal requirements.

That's why we've introduced a clinical results-driven approach to mental health treatment.

Our mental health pathway tailors the support your employees receive – making sure their treatment is guided by clinical need. It provides a clinical outcome-driven approach to managing mental health treatment.

Members aged 11 and under are unable to use mental health pathway, so they should get a GP referral as normal before contacting the customer service helpline. This service is provided by a third party provider.

Your employees can benefit from:

- ✓ **Self referral** - There's no need for a GP referral. They can refer themselves for an assessment with a third party mental health practitioner.
- ✓ **Clinical treatment determined by front end clinical assessment**
Routing them to appropriate treatment, including direct escalation to specialist assessment and in/day-patient treatment if required.
- ✓ **Benefit based on clinical need** - Treatment continues as clinically appropriate, reducing delays in treatment for talking therapies and unnecessary admission to in-patient* care. No excess or out-patient limits apply (if chosen).
- ✓ **Simple claim process** - They only need to contact our claims team once. Their treatment is then overseen by the third party clinical provider – leaving them to focus on getting better.
- ✓ **Range of treatment options** - Online cognitive behavioural therapy (CBT), remote talking therapies, face-to-face treatment, psychiatrist assessment and in-patient treatment where clinically necessary.
- ✓ **Choice of delivery options** - Remote (phone or video) or face-to-face talking therapies and psychiatrist assessment/treatment.
- ✓ **Wide range of practitioners** - Over 3,000 clinicians including: talking therapists, counsellors, EMDR (Eye Movement Desensitisation and Reprocessing) therapists, practitioner psychologists, and psychiatrists.

* If private mental health in-patient facilities are not available where the employee lives (such as the Channel Islands, Isle of Man, Isle of Wight or Northern Ireland) support will be provided by clinical transfer to a state in-patient facility in their local area.

Mental health pathway plus

You could choose to include mental health pathway plus, which includes all the benefits of the mental health pathway including:

Addictions programme:

- ✓ Early access to out-patient support helping members tackle the issue before it impacts their work and home-life
- ✓ In-patient* treatment where clinically indicated
- ✓ Benefit for one addictive conditions treatment programme (available once during the lifetime of the scheme)
- ✓ Clinically governed, stepped care pathway.

Chronic treatment:

- ✓ We've removed any restriction on chronic mental health conditions and have provided defined clinical support for them
- ✓ Front-end clinical assessment and stepped care pathway

* If private mental health in-patient facilities are not available where the employee lives (such as the Channel Islands, Isle of Man, Isle of Wight or Northern Ireland) support will be provided by clinical transfer to a state in-patient facility in their local area.

This service is provided by a third party provider.

BacktoBetter

Musculoskeletal injury

Musculoskeletal (MSK) injuries are a leading cost and cause of spend in health claims – they're also a leading cause and cost of absence.

It's not always easy to work out exactly what's wrong or what to do about it. The challenge is to make quality clinical services easily available when they are needed.

Tackling the problem head on

BacktoBetter introduces clinical decisions at the start of the claims journey, which makes sure we only fund appropriate and effective interventions. This means a well-managed claims spend, a positive impact on absence levels and a better outcome for your employees. This service is provided by a range of third party providers.

In 2022/2023
Musculoskeletal problems
account for

27%

of all work-related ill-health cases.

In Great Britain an estimated

6.6

million working days

were lost to work-related musculoskeletal
disorders in 2022/2023

This is an average of **13.9 days** lost for each case.

Source: Work related musculoskeletal disorders in Great Britain (WRMSDs), March 2023. Contains public sector information published by the Health and Safety Executive and licensed under the Open Government Licence.

So, you can see why we believe MSK conditions are one of the biggest health challenges facing employers today.

BacktoBetter

What are musculoskeletal conditions?

Musculoskeletal conditions are any conditions relating to back, neck, muscle or joint pain, also commonly referred to as orthopaedic conditions.

BacktoBetter can help

BacktoBetter is a service that can help employees recover faster, which means you can keep your productivity levels up. And because BacktoBetter intervenes quickly and only recommends appropriate treatment, it helps keep your claims spend down.

- ✓ BacktoBetter offers access to a qualified clinician who can help employees deal with the pain of a musculoskeletal injury.
- ✓ Employees get the right treatment at the right time, which could lead to a faster recovery.
- ✓ There's no need for a GP referral.
- ✓ It's a service that aims to deliver best clinical practice no matter how complicated the problem is.
- ✓ Choice of access options – either by telephone or end-to-end virtual support through BacktoBetter Digital if preferred.
- ✓ When appropriate, we'll help members get access to a conveniently located physiotherapist approved by one of the third party clinical providers.
- ✓ Plus, any physiotherapy treatment members receive through BacktoBetter won't be affected by any chosen out-patient limits or applicable excess.

Enhanced cancer support

Getting the right balance is vitally important. It's likely that your employees will already feel overwhelmed. That's why we've made our support simple and easily accessible.

Key components include:

- ✓ **Dedicated Cancer Claims Team** – Our Cancer Claims Team are so much more than claims advisers. They're people like you and your employees with families and loved ones. They've been specially chosen for their understanding, patience and empathy. Their in-house training means they have an in-depth understanding of what it means to be living with cancer – offering so much more than just paying medical bills.
- ✓ **Our Cancer Care Guide*** – Developed in partnership with Macmillan Cancer Support, our guide makes it simple for your employees and their loved ones to find information to help make life that bit easier. It's packed full of useful tips to help them every step of the way. And, if they'd like practical support or to talk to one of Macmillan's specialist cancer nurses, there is a helpline number for them to call.
- ✓ **Talking Through Cancer** – Our third party clinical provider is on hand to help your employees and their loved ones throughout the cancer journey and beyond. With a thorough knowledge of the different experiences people go through when living with cancer, the team of specialist cancer therapists will help your employee and their loved ones work through the emotional ups-and-downs, offering compassionate support and practical techniques along the way. They'll help your employees feel more in control of the situation by listening and gaining a thorough understanding of their needs and going at their pace – offering the right support, when they need it. Talking Through Cancer is available to your employees if they have an eligible cancer claim and you have benefit for cancer treatment on your scheme.
- ✓ **Careology*** – At a time when life can feel overwhelming, the Careology app offers a simple way for your employees to record and manage information relating to their cancer care. Whether they want to make a note of their questions, thoughts, and feelings, receive reminders to take medication, or keep track of their side effects and symptoms, it holds everything securely in one place – helping them feel a little more in control. The Careology app is available to your employees if they have an eligible cancer claim and you have cancer cover included on your scheme.
- ✓ **Cancer Care with Get Active*** – our Get Active wellbeing offers include savings on products and services that could help make a small difference if your employees or someone close to them is living with cancer. So, whether they're looking to improve their current health and wellbeing, show someone their support, or they just want to feel more like themselves, there's a choice of specially arranged products and services to help.
- ✓ **Cancer Care with Aviva Digital GP*** – Aviva Digital GP is there 24/7 for your employees. From talking to a private GP about symptoms that could be linked to a possible cancer diagnosis, to getting swift, convenient, empathetic support for general medical concerns following a diagnosis or during and after treatment – it's there when they need it.

You can find further information about these services in the [Cancer Brochure](#).

* These services are a non-contractual benefit Aviva could change or withdraw at any time.

Added value and wellbeing benefits for your employees

To help you look after the health and wellbeing of your employees, our private medical trusts include the following added extras each year.

If employees lead healthier lives and feel more appreciated by employers, then a business could see a boost in workforce performance, morale and positivity.

We provide members with a range of added value benefits to help them stay healthy - physically, mentally and financially.

1

Stress Counselling helpline

If your employees are having difficulty with the demands and expectations they face, it's good for them to talk. They can do this through a secure helpline to trained third party counsellors, helping them to work through problems and resolve them. Available 24/7.

The service is available to members and their dependents aged 16 or over.

2

Get Active*

We can help your employees stay fit, happy and healthy. Employees can access discounts at over 3,000 health and fitness clubs, as well as great at-home fitness offers and a range of savings on other products and services - all designed to keep them and their families active, healthy and happy. Employees can read the terms and conditions and the privacy policy before signing up.

3

Aviva Digital GP*

Provided by Square Health.

The Aviva Digital GP app can give your eligible employees and their eligible dependents over 16 around the clock access to GP video consultations and repeat NHS prescriptions (all NHS England exemptions accepted) at the touch of a button.

Employees can read the terms and conditions and the privacy policy for Aviva Digital GP in-app before signing up. Mobile data charges may apply.

Please note, Aviva Digital GP is available to residents of Great Britain, Northern Ireland, the Channel Islands and the Isle of Man, at home or abroad.

4

Aviva Line Manager Toolkit: Mental Health*

The digital Aviva Line Manager Toolkit: Mental Health consists of video modules, designed by clinicians, which could increase awareness of employee mental wellbeing. It aims to help line managers spot the warning signs of poor mental health, identify reasonable adjustments and manage professional boundaries. It also empowers them to feel more confident in having supportive conversations with team members. This service is available to all line managers, regardless of whether they are eligible for benefit under the scheme.

Added value and wellbeing benefits for your employees continued

5

Aviva Wellbeing*

Whether your employees want to sleep more, stress less, lose weight or get fit, the Aviva Wellbeing app could help them achieve lifelong change - one easy step at the time.

A whole workforce offering we believe helps employees become happier and healthier, leading to:

- increased employee engagement
- improved staff retention levels
- improved productivity
- reduced absenteeism.

All of these can contribute to improvements in the bottom line.

Employees can read the terms and conditions and the privacy policy for Aviva Wellbeing in-app before signing up. Mobile data charges may apply.

6

Mental Health guidance*

Mental health is important and we want to help when things become too much. If your employees are experiencing stress, anxiety or poor mental health, it can be difficult to get back on track. Our aim is to help to manage and improve their mental health by providing useful information, videos and articles.

7

MyAviva

We know life is busy, so that's why we've developed MyAviva to make things easier for our customers.

Our online portal will help your employees manage all their Aviva policies and schemes in one secure and easy-to-use place.

It puts a whole host of benefits at their fingertips, letting them:

- check their policy or scheme information, including cover and benefit details
- start a new claim or update us on an existing one
- look at their claims summary, update us on what's next and track bills paid against their claim
- keep track of their excess and out-patient benefits (if applicable), helping them stay in control
- live chat directly to one of our claims experts without having to pick up the phone.

MyAviva is safe secure and tailored to use on most popular devices. It's available to download from the App Store or Google Play. Mobile data charges may apply.

* These services are non-contractual benefits Aviva can withdraw at any time.

For more information on the Wellbeing services available to employees visit aviva.co.uk/wellbeing-optimum

Expert advice on private medical trusts



Our checklist for setting up or running a trust

There are some key considerations for you to think about when setting up a private medical trust.

✓ **Get independent legal advice**

To make sure you're setting up your trust properly, you should take legal and tax advice to structure it in the right way for your business and employees.

✓ **Administration arrangements**

Once you have set up your trust or decided to transfer an existing trust, you'll need an agreement between your trustees and Aviva to appoint us as your trust administrator. We'll provide you with our Administration Agreement.

✓ **Stop loss insurance**

It's common practice for the employer's funding liability to be capped, typically with a form of stop loss cover to protect against additional claims costs above this cap. As this is a separate insurance arrangement, it will be liable for insurance premium tax. We can provide copies of our Stop Loss Agreement. Simply get in touch and we'll be happy to help.

✓ **Trust Registration**

There may be an action to register your healthcare trust with HMRC. Registration is the trustee's responsibility. You can find more information about the Trust Registration Service on the Government website. If you're unsure about what you need to do, you should speak to a legal or financial adviser.

Aviva is not able to offer any legal, financial or tax advice in respect of the setting up of your trust. You should seek advice from a qualified professional.

A quick guide to taxation

All employers setting up a private medical trust should assess their tax position first, so it's really important for you to get comprehensive advice from a qualified expert.

We can't provide you with financial or tax advice, but here are a few things you need to consider.

Insurance Premium Tax

IPT applies to insurance contracts and is payable at 12% on private medical insurance. As trusts are not insurance products, you won't have to pay this. However, if you choose to include stop loss insurance, you'll need to pay IPT on the stop loss premium.

VAT

We charge your trust a fee to carry out day-to-day administration, which is subject to VAT. However, you won't pay VAT on any employer or trustee contributions into the trust fund that are used to settle any claims.

National Insurance Contributions (NIC)

As an employer, Class 1A NIC is payable on the total contribution into the Trust – both for claims and to cover the Trust's administration expenses (including to Aviva).

Income Tax

Income tax liability arises when you (the employer) make your contributions to the Trust, not when the beneficiaries (the employees) receive medical treatment, as long as the six necessary conditions are met. For details on what these conditions are, please see page 24.

Aviva is not able to offer any financial or tax advice and tax rules may change in the future; this guidance is current as at the date of publication. We recommend you seek your own advice before setting up a Private Medical Trust to obtain the most up-to-date advice for your specific circumstances.

It's easy to work with us

Here's how the process works:

1

You'll need to set up your own private medical trust under the advice and guidance of professional experts, and appoint your own trustees.

2

Ask us for an illustration which incorporates a claims fund projection, administration charge and a risk fee for stop loss cover, if applicable. The terms will then be agreed in principle.

3

We'll provide the Administration Agreement and the Stop Loss Agreement(s) if required.

4

You should take legal and financial/tax advice on the documents we give you.

5

If you don't already have a separate UK bank account for the trust funds, you'll need to set one up.

6

You'll sign the Administration Agreement, and Stop Loss Agreement (if applicable) and return copies to us.

7

We'll invoice the trust for the administration charge, stop loss premium (if it applies) and a deposit in respect of the projected claims fund.

8

Your trust fund will be up and running once you've paid the deposit and other costs and the funds have cleared. The trust will now be able to start paying claims.

Points to remember about private medical trusts

There are certain things you need to know about setting up a private medical trust, so please make sure you read this important information first.

- ✓ Your Trust will be operated and managed by your own appointed trustees – only the claims fund will be administered by Aviva.
- ✓ The Trust will need its own UK bank account. This should be set up by the trustees and used to pay for claims funding.
- ✓ It's important to properly establish and operate private medical trust structures to minimise the risk of challenge by any regulator that the arrangement is actually 'insurance'. This risk may be reduced if only the employer (and not the employee) makes contributions into the Trust – employer contributions would include contributions funded by salary exchange.

The conditions of an Aviva-administered Trust

- ✓ The employer makes regular contributions to fund the cost of medical treatments for employees.
- ✓ The arrangements grant each employee the right to have the costs of specified medical treatment paid for from funds contributed by the employer.
- ✓ The employer's annual contribution will be paid in respect of the arrangement for each employee. This will not be possible if the trustees have any discretion about which benefits to provide.
- ✓ Once paid, the employer can't revoke their contribution.
- ✓ The arrangements can't be terminated before all the claims for treatment during that period (for which the employer has paid contributions) have been met.
- ✓ There also can't be any variations to the above if one or more of these conditions have not been met.

Contact us

To find out more about how we can help you, please speak to your usual Aviva consultant. Alternatively, contact the Aviva Key Accounts Team on:

0800 206 2178

istrust@aviva.com

The Aviva Key Accounts Team, Aviva Health UK Limited, Chilworth House, Hampshire Corporate Park, Templars Way, Eastleigh, Hampshire SO53 3RY

We may record and/or monitor calls to and from Aviva.

Need this in a different format?

Please get in touch if you would prefer this brochure (GEN3927) in large print, braille or as audio.



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aviva.co.uk

Lines are open Monday to Friday from 8.00am – 6.30pm.

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